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SUBJECT: DAILY SUMMARY OF JAPANESE PRESS 04/12/07

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ARTICLES:

- (1) Japanese, Chinese leaders agree on joint development of gas fields in East China Sea; Gap remains over choosing area; Japan cannot give in on median line

Tokyo and Beijing have moved a step forward on the East China Sea gas field issue, a bottleneck in Japan-China relations, with the leaders of the two countries during a meeting yesterday reaching agreement that the two countries come up with specific measures for joint development by the fall. They also agreed to jointly develop oil fields in a relatively wide area of waters that are acceptable to both countries. Since it cannot be said that China has made a concession, it appears difficult to choose specific areas for development.

Concerning gas fields, a joint press release noted that: (1) higher-level talks than before would be held; (2) joint development would be carried out in a relatively wide area; and (3) the two sides would aim at submitting a report this fall on specific measures for the envisaged joint development. This goes beyond the press release last year, which noted that ways to boost cooperation, firmly maintain a direction for joint development and settle the issue be searched out.

Prime Minister Abe during the meeting told Wen, "I would like you to display special leadership so that the issue will have been settled by the time when we meet next time." Wen responded, "I would like to make efforts to settle the issue."

The nitty-gritty of the problem is in which part of the open waters joint development should be carried out. The views of the two countries are at odds over this issue. Japan cannot afford to give in on carrying out joint development in waters straddling the Japan-China median line. However, the Chinese side did not make a compromise on this. A senior official of the Ministry of Economy,

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Trade and Industry (METI) complained that the words "wide areas" are meaningless.

A Japanese government source said: "It would be impossible to reach a decision if waters for the joint development are specified. The words are difficult to understand, but they reflect resourcefulness of the two countries. It is half step forward to a settlement." The paper was completed two minutes before the summit meeting started, since both countries were unable to reach agreement on what words to adopt until the last moment.

Harufumi Mochizuki, director general of the Resources and Energy Agency, pointed out, "Putting on hold territory or territorial waters is the most popular way of settling an issue on joint development of natural resources in the world." Japan and China will discuss specific areas for the planned joint development at the next bureau-director-level talks slated for May. However, a final decision will be left to top leaders to make as usual.

Gas fields in the East China Sea are apparently not promising in economic terms. However, the same senior METI official insisted, "It has a significant meaning for natural resource-importing countries, such as Japan and China, to have gas fields in their own gardens, even if their reserves are small and it is costly to develop." Another senior official said, "It is a matter of honor."

However, there is the possibility of a hard-line argument that Japan should start test-drilling gas fields, if Japan fails to win a concession as it wishes and joint development straddling the median line does not realize, gaining ground.

The Lower House on Apr. 3 passed a bill for a basic law of the sea and a bill on the setting of safe water areas for maritime buildings (lawmaker-initiated legislation) and sent them to the Upper House. Those bills stipulate a ban on vessels from entering nearby waters, in the event where the Japanese side test-drills in the exclusive economic zone (EEZ).

(2) Key points in Diet speech by Chinese Premier Wen Jiabao

Evening, April 12, 2007

If Prime Minister Abe's visit to China last October is labeled as a trip to break the ice, I hope that this visit will be deemed as a trip to melt the ice.

In order for the two countries to strengthen friendly and cooperative bilateral relations, they need to summarize the lessons learned from their unfortunate history and keep such lessons in their mind. Their friendly ties were once severed in recent times because their sad, unfortunate events that lasted for 50-odd years. In the aggressive war waged by Japan against China, Chinese people suffered a serious calamity and numerous Chinese were killed or hurt. The positive experiences and negative lessons are both our valuable assets. We can learn more deeply and effectively through our past experiences and lessons.

Only a few militarists should take the responsibility for the aggressive war, and Japanese people at large were also the victims of the war.

There is an old saying that history serves as a mirror. This saying

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is intended to tell us that we should not continue to have a grudge but should try to open the way to a better future while keeping the lessons from history in mind. Since (China and Japan) normalized diplomatic ties, the Japanese government and leaders have repeatedly announced the nation's view about the history issue, officially recognizing its acts of aggression and expressing its remorse and apology. I have positively evaluated such a stance of Japan. I hope from the bottom of my heart that Japan will demonstrate what it expressed and promised by its actions.

The leaders of the two countries agreed to build bilateral strategic, mutually beneficial relations. If both sides abide by the principles in the China-Japan joint statement and other two political documents, progress will be made in their relations.

The Taiwan issue is sensitive enough to affect China's core benefits. We are strongly opposed to "legal independence of Taiwan" and any other independence moves by Taiwanese authorities. I hope Japan will acknowledge that the Taiwan issue is highly sensitive and cautiously deal with the issue while observing its promises.

There are differences in both sides' interests and views about certain problems. Compared with the common interests shared by the two countries, such differences are minor. With respect to the dispute over the East China Sea, the two countries should lay aside the issue and make the East China Sea a sea of peace, friendship and cooperation.

Bilateral cooperation in the economic area will serve to build mutually beneficial and win-win relations. Both countries' economic development will not pose a threat but provide a chance to each other.

It is necessary for China and Japan to maintain the peace and stability of East Asia by strengthening bilateral coordination and cooperation. It is also imperative for them to work together in dealing with global-scale issues, such as energy security; environmental protection; climate change; prevention and control of diseases; antiterrorism; crack down on multinational crimes; and non-proliferation of weapons of mass destruction.

(3) Main points from the Japan-China joint statement on environmental protection cooperation

NIHON KEIZAI (Page 4) (Excerpts)
April 12, 2007

Recognizing the regional characteristics of environmental problems and the urgency of such problems, especially those in East Asia, and believing it will contribute to building mutually beneficial strategic ties between the two countries, the governments of Japan and China have agreed to boost cooperation in the following areas:

11. Enhancing efforts to protect drinking water resources. Preventing river pollution and cooperating in preventing water pollution, especially the basins of Bo Hai and Huang Hai.

12. Making every effort for recycling wastes. Cooperating in collecting wastes and implementing a corporate environmental protection supervisor system.

13. Implanting Japan-China acid rain and yellow sand monitoring networks with the aim of preventing air pollutants, especially

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sulfur dioxide and yellow sand. Transferring technologies, such as coal power plant denitration.

14. Announcing a political resolve to make efforts to resolve climate change issues through international cooperation only under the United Nations Framework Convention on Climate Change and the Kyoto Protocol. Actively taking part in the process of building effective frameworks in 2013 and beyond. Enhancing talks and cooperation on the Asia-Pacific Partnership on Clean Development and Climate, promoting working-level cooperation, and continuing cooperation on the clean development mechanism project under the Kyoto Protocol.

15. Building a cooperative mechanism in controlling and inspecting exports and imports of electrical and electronic wastes. Joining efforts for preventing wastes, including drifting wastes, from illicitly crossing borders with the aim of stopping cross-border environmental pollution.

16. Giving positive assessments to the important roles played in afforestation by the Japan-China private-sector greening cooperation committee and other organizations.

17. Actively promoting cooperation through Japan-China-South Korea environmental ministerial meetings, the regional environmental cooperation mechanism, and other means.

18. Joining efforts in increasing public awareness and educating people about sustainable development and environmental protection.

19. Affirming greater cooperation at the Japan-China joint environmental conservation committee and on policy dialogue. Conducting technical exchanges putting high priority on use and protection of intellectual property rights.

110. Promoting the transfer of advanced environmental technologies and other matters by allowing the Japan-China Friendship Environmental Protection Center to play a greater role as the point of contact for environmental protection cooperation to make it a platform for transferring environmental protection technologies between the two countries.

(4) US CRS's report on "comfort women" issue: "No organized and coerced recruitment"

SANKEI (Page 6) (Full)
April 12, 2007

Yoshihisa Komori, Washington

The US Congressional Research Service (CRS) has just issued a research report on Japan's "comfort women" issue in connection with House comfort women resolutions (Resolution 759 and Resolution 121). The report criticizes a series of statements by Prime Minister Shinzo Abe as being contradictory, but on the principal question of whether there was "compulsory recruitment by the former Japanese Imperial Army," the report sides with the view that neither the military nor the government adopted a compulsory recruitment policy. Moreover, the report indicates skepticism about (Resolution 121 introduced on Jan. 31, 2007, in the House of Representatives) calling on Japan to further apologize for former comfort women and expresses concern that if Japan is pressured to make compensation, Japan may claim compensation for victims of the atomic bombs.

The report titled "Japanese Military's 'Comfort Women' System" produced by a specialist at the CSR as of April 3 consists of 23 pages.

On a major contention in the so-called "comfort women" issue of "the Japanese military's coerced recruitment of women," the report says: "The former Japanese military would not have directly taken part in recruitments, particularly on the Korean Peninsula," and takes the view that there was no organized, policy-based forced recruitments of comfort women that confirms (Resolution 759) which denounces Japan with this language "200,000 women were sexually enslaved by the Japanese military."

However, the report criticizes Prime Minister Abe's and other government officials' statements denying forced recruitments as minimizing the major role played by the military in establishing and operating comfort stations and transporting and managing comfort women by emphasizing a denial of "recruitment" alone under the comfort women system. The report also points out that some statements could be taken to mean that there was no coerced recruitment by the military and that other statements are contradictory to testimonies by former comfort women, including the survey conducted by the Japanese government. It cites as a major ground for "coercion," Tanaka Yuki's English book "Japan's Comfort Women" published in both the United States and the United Kingdom in 2002.

On the other hand, the report details the Japanese government's efforts to offer apologies and compensation continued since the first half of the 1990s, for instance, by establishing the "Asian Women's Fund (AWF)." Portraying the AWF as a manifestation of the Japanese government's genuine effort to atone for and assist former comfort women, the report denounces the South Korean government for virtually threatening women not to receive atonement money from the AWF. Regarding compensation, the report particularly notes that it has been already settled by the signing of the peace treaty with Japan and through the normalization of diplomatic ties between Japan and South Korea, saying that if other countries urge Japan now to make an official compensation, "there is the potential for Japanese to counter by demanding official US compensation for the US napalm bombings of Japanese cities in 1945 beginning with the massive Tokyo fire raid, which killed an estimated 80,000 or more Japanese and the atomic bombings."

The House resolution urges the Japanese prime minister and government to apologize, but the report emphasizes the importance of the Kono Statement and apologies made by past prime ministers to recipients of atonement money from the AWF. Noting, "Critics state those actions are inadequate, but they have not detailed their reasons for considering them inadequate," the report makes it clear it is skeptical about calling for an apology. The resolution also calls on the Japanese Diet to adopt a resolution on apology, but the report points to an unrealistic aspect of the request of that kind, noting, "The possibility is very slim that that such a resolution would be approved."

(5) Upper House by-election in Okinawa: Candidates prioritizing livelihood-related matters as campaign issue: Military base issue too complicated

YOMIURI (Page 4) (Slightly abridged)
April 11, 2007

Now that the first half of unified local elections is over, the focus of the ruling and opposition camps has shifted to two by-elections for the Upper House on Apr. 22. In particular, the Okinawa by-election is expected to be a neck-and-neck race. The result could determine the fate of the US forces' Futenma Air Station relocation issue. As such, both the ruling and opposition parties are geared up to win the race mobilizing party-head-level

officials. However, with candidates focusing their campaign pledges on matters related to the daily lives of people instead of base issues, the election campaign has yet to heat up.

Yoshimasa Karimata, the choice of the opposition camp, made street-corner campaign speeches in Henoko, Nago City, the relocation site for Futenma Air Station.

Although he loudly proclaimed, "I am going to definitely oppose the construction of a military base in Henoko," the focus of his speeches so far has been the income disparity issue. He said: "Income disparity has widened under the Liberal Democratic Party (LDP)-New Komeito administration. It is said that the economy is booming, but the lives of residents in Okinawa are increasingly becoming more difficult. The income disparity issue is the largest campaign issue in the upcoming by-election." The base issue comes in ninth among his 10 policy pledges.

Karimata, who is against the relocation of Futenma Air Station, is adopting such a strategy, based on the reflection that Keiko Itokazu, former Upper House member who was said to be the ace of renovationists, was defeated to Hirokazu Nakaima, as she stressed her opposition to US bases in the gubernatorial election last year. Given this outcome, the Karimata's camp judged that if he carries out an election campaign in the form of asking voters to choose between the economy and the US bases, voters would think that he is ignoring the importance of economic development, putting him at a disadvantage.

Aiko Shimajiri, a candidate backed by the ruling camp, has already visited a number of isolated islands on stumping tours, which she started on Apr. 9. She is characterized as the first conservative female candidate in elections for national politics in Okinawa. Stressing that she is a housewife with four children, she is positively taking up in her campaign speeches issues that touch the lives of average people, such as assistance for child rearing. She has hardly touched on the base issue, and she has only slightly referred to economic development, an issue that is deeply related to the base issue.

A staff member of her campaign headquarters said, "Unaffiliated voters are increasing in Okinawa, too. It would be easier for a female candidate with a weak name recognition to be accepted if she comes up with soft policies instead of giving difficult speeches."

Both ruling and opposition parties' effort to bring up base issue proving futile

Both candidates lack name recognition, since this is their first challenge to an election for national politics. They have yet to solidify their election bases. The ruling and opposition camps plan to assist their candidates, mobilizing eminent supporters.

LDP Secretary General Nakagawa and New Komeito Secretary General Kazuo Kitagawa arrived in Okinawa on Apr. 5, when the election was officially announced.

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Senior officials of opposition parties, including Naoto Kan, acting head of the Democratic Party of Japan (DPJ or Minshuto), attended a kick-off ceremony for Karimata's election campaign. DPJ head Ozawa also visited Okinawa and did his utmost to expand Karimata's support base, asking for cooperation from the mayors of four municipalities, including Yoichi Iha, mayor of Ginowan City. Ozawa plans to go to Okinawa again this weekend.

Nakagawa stressed at a kick-off ceremony for Shimajiri on Apr 5, "We will create jobs in Okinawa, develop the economy, and eventually get the military bases to pull out." He made this speech, having in mind the final report on the realignment of US forces in Japan, which incorporated the transfer of Marines stationed in Okinawa to Guam. Ruling and opposition party lawmakers who went to Okinawa to give campaign speeches touched on issues other than US bases, as well. DPJ Secretary General Hatoyama, who visited Naha on the 8th, for instance opposed the relocation of Futenma Air Station, saying, "Is

it all right to reclaim such a beautiful sea?"

However, since their speeches on the base issue are on divergent lines with the strategies of the election headquarters of their candidates, the issue has not yet become a major campaign issue.

(6) Editorial: Japan must demonstrate strong leadership in supporting Iraq

NIHON KEIZAI (Page 2) (Full)
April 11, 2007

Iraqi Prime Minister Nouri al-Maliki, now visiting Japan, and Prime Minister Shinzo Abe reached an agreement that the two countries would aim to build a long-term strategic partnership. Iraq continues to be in a chaotic situation. All the more because it is in such a situation, it is important for Japan to cooperate with continued reconstruction assistance to that country.

Recently prominent Iraqi figures visited Japan in succession. Vice President Tariq al-Hashimi came to Tokyo in late March, followed by a group of 13 parliamentarians headed by National Dialogue Minister Akram al-Hakim. Japan-Iraq relations have gradually expanded.

Abe told Maliki: "The stability of Iraq is indispensable for the international community and it matches Japan's national interests." It is true that a chaotic national situation has brought much suffering to Iraqis, but it also has increasingly destabilized the entire Middle East and even affected the rest of the world, such as by spreading terrorism.

Japan relies on the Middle East for about 90% of its crude oil imports. In the Middle East, Iraq is a major oil producer and Iraq's crude oil reserves rank third in the world. The country's stability is directly linked to Japan's energy security.

Japan has supported Iraq by dispatching its Self-Defense Forces troops, as well as providing the country with economic cooperation. Japan withdrew its Ground Self-Defense Force personnel from Iraq last July. Japan's Air Self-Defense Force (ASDF) has continued its mission in the form of transporting personnel and relief goods.

Abe conveyed to Maliki his cabinet's decision to extend the Iraq Special Measures Law two year beyond its expiration date in July.

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In a press conference yesterday, Maliki expressed his appreciation for SDF operations. In order to have the ASDF troops continue their mission, it is necessary to extend the special measures law.

The government has decided to provide Iraq with official development assistance (ODA) worth about 5 billion dollars. It has also accepted Iraq's request for debt reduction of 6 billion dollars. Abe conveyed to Maliki in the meeting this time around that Japan would extend yen loans for repairing crude oil export facilities and for other purposes. At an opportune time, the Japanese government should increase ODA achievements.

For Iraq, the deterioration of public law and order has been its biggest problem. The the northern part of Iraq, inhabited by the Kurds, and southern Iraq are relatively safe. In Baghdad and the central Iraq, car bombs and suicide terrorist attacks continue endlessly.

In early May, a cabinet minister-level international conference will be held in Egypt to discuss measures to stabilize Iraq. Japan will take part in that international conference. We hope to see achievements there so that Iraq can be stabilized.

(7) Koyusho column by Ikuo Kabashima, professor of law at University of Tokyo: My former university professor gave me a future

NIHON KEIZAI (Page 36) (Full)
April 7, 2007

What I am now, I owe to one kind American.

After graduating from high school, I worked at an agricultural cooperative in Kumamoto Prefecture where I was born.

Dreaming of someday running a ranch, I applied for an agricultural training session in the United States. I spent all my time taking care of livestock for 18 months. During the 18-month training session, I spent three months at the University of Nebraska for technical training. Thinking that studying would be an easier life than farming, I decided to return to the university.

Later, with one-way air ticket in my hand, I again visited the US. While working as an interpreter for my fellow trainees, I took the entrance exam for the University of Nebraska, but failed. Seeing me in the depths of despair, one of the teachers, Joe Hudson, negotiated personally with the college official in charge of the entrance exam. Hudson was around 40 years of age at that time. He was working as a lecturer for the training program at the university, while writing his doctoral thesis. I worked as an interpreter in his training session.

Hudson negotiated with the exam official, arguing, "You should give a chance to the student who is willing to study." So I was unofficially allowed to study at the college. I studied hard and got good results in all the first semester's exams. Fortunately, I was able to get a scholarship. I then brought over my fiancée to Nebraska, and we got married there. Hudson walked down the aisle with my fiancée.

I seldom give a failing mark to my students because I want to bet on their potential, just as Hudson did for me. Hudson worked at an agricultural cooperative in Kansas City, but I haven't heard from him for some time. I have yet to keep my promise that if I were to

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succeed, I would invite him to Japan.

DONOVAN